





MEMORANDUM

TO: District of Columbia Zoning Commission

FROM:  Stephen Cochran, Development Review Specialist
 Jennifer Steingasser, Deputy Director Development Review & Historic Preservation

DATE: December 6, 2021

SUBJECT: Office of Planning (OP) Final Report on Application ZC 06-10G -- Request for a Modification of Consequence to approved PUD 06-10, Arts Place at Fort Totten

I. RECOMMENDATION

The Office of Planning (OP) recommends the Zoning Commission **approve** the Morris and Gwendolyn Cafritz Foundation's request for a Modification of Significance to the Second Stage PUD approved as the Arts Place at Fort Totten in Order 06-10, and most recently modified in ZC 06-10 D and 06-10E.

II. SIGNIFICANT CHANGES SINCE SETDOWN

The applicant has proffered to include 3 Inclusionary Zoning units among the 23 additional units for which permission is being sought. If the application is approved, the Second Stage PUD would deliver a total of 271 units.

OP has asked the applicant to provide information about the IZ unit types and their distribution. OP has also suggested the applicant consider increasing the number of IZ units proposed in this proffer.

III. SUMMARY OF PROJECT BACKGROUND AND CURRENT REQUEST

The background of the PUD was summarized in Section II of OP's Preliminary Report (Exhibit 11). The project is planned to be a four-phase PUD with 2,018,880 gross square feet (GSF) and 928 residential units. 214,209 square feet and 529 apartments have been constructed as a Consolidated PUD.

The current plan for the second phase – a Second Stage PUD for a building known as Block B, was approved in Orders 06-10 D and E. It would be across Ingraham Street N.E. from the completed first phase. In Case 06-10F the applicant applied for revisions to the approved plans, but at its meeting on October 14, 2021 the Zoning Commission determined that the request should be considered as a Modification of Significance. The subject Case 06-10G is that revised request.

The multiple components of the approximately 500,000 square foot Second Stage PUD are now approved to be constructed as one building with two wings bridging a pedestrianized, closed, 4th Street. Block B was to contain approximately 271 apartments, 30 of which would be subsidized for artists at 80% MFI for 20 years. The 260,235 non-residential sections are to include a grocery store, a food hall, other retail, a children's museum and a 150,000 square foot interactive entertainment zone. The non-residential uses are to be primarily in the wing adjacent to South Dakota Avenue, in what the applicant



refers to as the Family Entertainment Zone or “FEZ”. A 200-foot extension to 3rd Street, adjacent to the applicant’s property would be included as mitigation.

The changes proposed in Case 06-10G’s modification request, as amended to November 22, 2021, include:

- Add a northern extension to the wing on the west side of the former 4th Street, to contain an additional 23 residential units. 20 would be market rate and, as of November 22, 2021’s filings, 3 have been proffered as Inclusionary Zoning units;
- Change the interactive entertainment provider from Meow Wolf to the Venue Group and reduce the square footage and volume of the venue;
- Reduce the height of the glass “drum” enclosure in the FEZ area by about 22 feet while maintaining the approved maximum height for the wings containing residential units;
- Modify the internal layouts and space allocations for the entertainment, retail and cultural components;
- As of the November 22 filings, the applicant is no longer proposing changes to the previously approved colors of the façade of the western “residential” wing;
- Relocate the planned dog park to the corner of 4th and Kennedy Streets;
- Eliminate an open-air, stone-faced gazebo (a.k.a the “fort”), expanding both the FEZ footprint and enlarging the adjacent plaza;
- Add a terrace level above the South Dakota Avenue retail;
- Reduce parking spaces from 717 to 494, a 34% reduction for this phase, consistent with what the applicant states is the changed parking demand resulting from the change in the FEZ’s interactive entertainment provider;
- Add a loading berth to the east wing, accessed from of the closed 4th Street;
- Reduce FAR by 0.32.

Table 1 compares the approved and proposed Second Stage PUD in more detail.

Element	“Building B” in Approved Second Stage PUD 06-10E	Proposed Phase B Second Stage PUD 06-10G	OP Comments
Phase Site Size	225,541SF	250,908 SF. Square 3767, Lot 1 has been added in anticipation of all tenants in the former Riggs Plaza apartments having moved or been relocated. This would add 2 bays to the	There should be no significant impact from the proposed changes.

		northern end of the west wing, using a portion of the former Riggs Plaza apartment site. The dog park would be relocated to the remainder of the former apartment building site.	
Total GSF	491,777 FAR-countable sf; 560,589 total GSF	551,020, 477 total GSF	-----
FAR	2.52 Total <ul style="list-style-type: none"> 1.27 non-residential (includes parking FAR) 1.25 residential 	2.2 Total, including 1.24 residential FAR	The FAR for this site does not exceed the medium density FLUM designation for a PUD
Lot Occ.	Approximately 77.7% (including roads & alleys), 62.9% net.	57.2%, not including roads and alleys	-----
No. of Towers/Wings in One Building.	Two (East wing., primarily non-residential; and West wing., primarily residential, with ground-floor retail)	Same, with expansion of west wing to north	-----
Height	Varies, up to 75 feet max.	Same overall height for western wing, but with 22'6" reduction in FEZ "drum" on eastern wing	May result in more compatible relationship with scale of nearby neighborhood.
Stories	East wing., 4 stories; West bldg., 7 stories	Same	-----
Non-Residential Uses	57,218 sf general retail, east wing (+6887 non-FAR)	58,383 general retail, east wing	-----
	152,162 sf of single-provider commercial/ entertainment/ cultural Family Entertainment Zone (FEZ) attraction, east building (+ 4,538 sf Non-FAR)	33,500 SF reduction in this space (-13%) resulting in, presumably, 118,662 sf	-----
	8,784 SF grocery, east bldg. (+non-FAR) =24,436 SF total	11,920 SF grocery, east bldg. (+non-FAR) =24,945 SF total	-----
	24,931 sf children's museum, east bldg.	Not specified, presumably the same.	-----
	No senior/recreation center	Same	-----
Residential Units	218,000 SF / 240 - 280 units, <ul style="list-style-type: none"> 192,287 sf / 210-250 market rate units in west building, including 5,732 sf / 30 affordable artist live/work units at 80% MFI for 20 years 	<ul style="list-style-type: none"> Addition of 23 units in the west tower, for a total of 263 – 303 units for Building B, and approximately 814 units between completed Block A and proposed Block B. 	See comment immediately below.

		<ul style="list-style-type: none"> • Artist units: same • 3 IZ units – new since setdown 	
Affordable Housing	25,732 sf / 30 affordable artist live/work space units in west building at 80% MFI for 20 years	Same, plus 3 IZ units to be located within the proposed 23-unit northern extension	<p>The applicant has responded to requests by the Commission, OP and others. The 3 units would comprise 13% of the additional 23 units and 1.1% of all the units in the Second Stage PUD.</p> <p>Prior to the hearing, the applicant should provide information on the IZ unit types and their distribution.</p> <p>OP encourages the applicant to provide more than three IZ units</p>
Road Improvements	Extend 3 rd St., NE 200 feet to the north, essentially connecting Ingraham and Kennedy Streets	Same, with sidewalks and traffic calming, signage for bicycle/vehicle roadway sharing, and other traffic calming measures	Design has been coordinated with DDOT.
Roads Closed	4 th St., NE (open-air, privatized & curbless street) and alley near So. Dakota Ave., (within east building footprint)	Same.	-----
Parking	<p>765 (340 required)</p> <p><u>East building</u>: below grade entered from Ingraham Street, exited from Ingraham and Kennedy Streets; <u>West building</u>: at-grade, covered, entered/exited from public alley via Ingraham or Kennedy St.</p>	<p>494, with a reduction in AM, PM and Saturday peak hour vehicle trips.</p> <p>Same general configuration, but with no below grade levels under closed 4th Street or west wing.</p>	Trip Generation Analysis indicates that given the reduction in non-residential space, the additional 23 units would not have a substantial traffic impact. To be verified by DDOT
Loading	<u>East building</u> : 3 berths and 2 service/delivery spaces in east wing. <u>West building</u> : 4 berths and 4 service/delivery spaces	Same, plus one additional loading berth in east wing along closed 4 th Street.	-----
Major Amenities & Benefits	Public plazas and terraces primarily along private 4 th	Same publicly accessible space, with an additional terrace on South Dakota.	The addition of 23 more apartments in an expanded western wing should not

<p>related to Block B building</p>	<p>Street, secondarily at So. Dakota & Ingraham</p> <p>Space for ~ 25,000 sf children’s museum</p> <p>Space for 23,00 sf grocery</p> <p>Food court</p> <p>Major entertainment/arts/cultural attraction</p> <p>Superior Architecture</p> <p>~ 250 market rate rental units, where none previously proposed, located in west building</p> <p>30 units subsidized artist housing/maker-space, in east building</p> <p>First source agreement</p> <p>Extension of 3rd Street 200 feet south of its intersection with Kennedy Street.</p> <p>Other benefits and proffers as noted in Case 06-10 E, Exhibit 2, pages 22 – 26 of Exhibit 2</p>	<p>The overall benefit of providing additional housing has been augmented with 23 additional units, 3 of which would be IZ units.</p> <p>Other than the size and operator of the FEZ, most other elements remain generally the same, but with changes in architectural details (e.g., colors, terraces, height of “drum”) relatively minor adjustments to the size of retail, grocery and cultural offerings.</p> <p>Dog park’s proposed location to be moved to 3rd and Kennedy Streets.</p> <p>Upgraded 3rd Street sidewalk, landscaping and bike-sharing signage</p>	<p>have a significant visual impact and would advance the construction of some of the residential units previously approved for later stages of the overall PUD¹. The expansion of the wing should not have a significant visual impact.</p> <p>While the increased number of residential units may contribute in a minor way to the reduction of upward pressures on nearby housing costs, the recent proffer to include 3 IZ units would address this more directly.</p> <p>Changes in the architectural design and in the location of the dog park may improve the appearance and utility of the project and its compatibility with the nearby neighborhood. The additional terrace along South Dakota Avenue should help to enliven the pedestrian environment and may help to increase the performance of the retail offerings planned on that street. The elimination of the stone gazebo (“fort”) should improve the utility of the adjacent private space intended for public use.</p>
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¹ If the 23 units are approved, Blocks A and B will contain 814 of the total PUD’s approved 929 units. The existing PUD Orders would permit only 115 additional units to be built on the PUD’s two large remaining sites.

IV. APPLICANT RESPONSES TO PREVIOUS COMMISSION AND OP REQUESTS AND COMMENTS

ITEM (ZC, Zoning Commission; OP, Office of Planning)	APPLICANT RESPONSE	OP COMMENT
<u>ZC</u> : Address Lamond Riggs Citizens Association (LRCA) concerns about safety of 3 rd Street extension, particularly the absence of a dedicated bike lane, and the accuracy of the CTR. Provide illustration of proposed 3 rd Street treatment.	Order 06-10D required the applicant to construct only a sidewalk and a bicycle lane in the currently unpaved segment of 3 rd Street, NE between Ingraham and Kennedy Streets. As part of consultation with DDOT for currently requested modifications, DDOT, applicant agreed to upgrade this mitigation measure to include construction of a 200-foot extension of a full street for signed-usage by both vehicles and bicycles, and an adjacent sidewalk. Updated trip generation and 3 rd Street connection analysis indicate there would be improvement in local circulation, which would reduce pick-up and drop-off conflicts for school on west side of 3 rd Street, north of Kennedy Street without significant diminution in the performance of intersections.	The response and illustration (Exhibits 20 and 20A) appear to sufficiently address the concerns. However, the DDOT report will address this in more detail.
<u>ZC</u> . OP: Recommend proffering of IZ units in Second Stage PUD.	Although the first 929 units in the overall PUD are exempt from IZ, the applicant has newly agreed to proffer 3 IZ units within the requested 23 additional units for this phase of the PUD. The applicant notes that 141 of the 520 units in the Consolidated PUD are covenanted as affordable (non-IZ) units.	While the 3 units would comprise 13% of the 23-unit expansion of Block B, they would comprise only 1.1% of the total Block B residential units. The applicant should, by the hearing, specify the IZ unit types and location, and consider expanding the number of proffered IZ units.

ITEM (ZC, Zoning Commission; OP, Office of Planning)	APPLICANT RESPONSE	OP COMMENT
<p><u>ZC</u>: Provide an analysis of the proposed modifications through a racial equity lens. Additional Sustainability</p>	<p>Exhibit 20B provides a “racial equity analysis”. In addition to the 3 IZ units, 30 “affordable units” for artists in Block B and 141 units of “affordable” senior housing in Block A, the applicant will rent artist studio and maker space at no more than 50% of the standard retail space rent at the project, provide 25% discounted entry fees each quarter for Ward 4 and 5 residents to cultural offerings in Block B, and will foster cultural interaction in the pedestrianized 4th Street. The market rate units will also contribute to expanding the housing supply and mitigating upward pressure on rents in the area. The grocery and retail offerings will create job and business creation opportunities for local residents, particularly given proffered outreach efforts and the First Source Employment Agreement. LEED ND, rooftop solar energy generation and green roofs will help to promote environmental justice.</p>	<p>The response addresses the concerns, although providing additional IZ units would further strengthen the response.</p>
<p><u>OP</u>: Give additional consideration to the relationship of existing Block A colors, and the more neutral tones proposed as part of 06-10G for the western residential wing of Block B. Provide illustrations of proposed changes in relation to Block A.</p>	<p>The applicant has re-studied this and now proposes to retain the previously approved color pallet</p>	<p>The response sufficiently addresses request.</p>
<p><u>OP</u>: clarify proposed lot occupancy and square footages.</p>	<p>The lot occupancy is clarified in exhibit 20 C and the square footages are provided in Exhibit 20A</p>	<p>The response sufficiently addresses the concerns.</p>
<p><u>OP</u>: Provide details about status of proposed FEZ operators, the children’s museum, and the proposed grocery store.</p>	<p>An operating agreement has been signed with the Venue Group for the FEZ’s performing arts spaces and food hall. Discussions continue on potential leases for the immersive arts spaces. The existing lease with Aldi for the grocery store requires delivery of the space by January, 3034. Applicant will start foundation to grade work in January 2022 for the space.</p>	<p>The response sufficiently addresses the concerns.</p>

In addition to the concerns and requests of the Zoning Commission and the Office of Planning at setdown the applicant has responded to the comments of the Lamond Riggs Citizens Association (Exhibit 20, pages 4 and 5).

V. COMPREHENSIVE PLAN ANALYSIS

A. Generalized Future Land Use and Policy Maps

The densities considered appropriate for the site were increased in the 2020 Generalized Future Land Use Map. It had been designated for moderate density residential / moderate density commercial use and is now designated as appropriate for medium density residential / medium density commercial uses. While the proposed 2.2 FAR would not be inconsistent with the FLUM, it would be less than what would be considered medium density under the new FLUM. However, the FAR for the overall PUD would be higher and more consistent with the new designations.

The Generalized Policy Map continues to identify the site as a Land Use Change Area. The proposed development would bring significant change to the area.

B. Written Elements

The Zoning Commission, as part of the 2010 approval of the original Consolidated and Preliminary PUD, determined that the overall development would not be inconsistent with the Comprehensive Plan in effect at the time. Since the Comprehensive Plan has been update in 2012 and 2020, OP's analysis focuses on sections of the Plan where there have been major revisions that may be germane to the proposed modifications to the approved plan for this 2nd Stage PUD.

i. Land Use Element

The element has strengthened its emphasis on the critical need for providing housing, particularly affordable housing and promoting transit-accessible, sustainable development (300.2). The proposed changes would increase the amount of housing on the Block B site, thus better utilizing nearby transit.

The subsidized artist live-work space, and the 3 recently proposed IZ units would contribute to Land Use Policy 1-4.3, which seeks to promote "permanent affordable rental and for-sale multi-family housing adjacent to Metrorail stations". Land Use Action 1.4.C more specifically encourages developments in and around metro stations to exceed affordable units required by the Inclusionary Zoning Program. The first 929 residential units in the PUD have been determined to be exempt from IZ.

ii. Housing Element

The addition of 23 more apartments in this phase would advance the construction of some of the residential units previously approved for later stages of the overall PUD². The additional residential units in the western wing would include a northern expansion of the wing and would include land in this Second Stage PUD that would have been developed in a future phase of the PUD. The expansion of the wing should not have a significant visual impact. The Updated Trip Generation and 3rd Street Connection Analysis (Exhibit 20A) indicate that, given the reduction in non-residential space, the additional 23 units would have a substantial traffic impact.

iii. Examination Through a Racial Equity Lens

The additional 23 units in the revised proposal for Block B are generally positive, particularly since the applicant has proffered, since setdown, the designation of three units for Inclusionary Zoning.

² If the 23 units are approved, Blocks A and B will contain 814 of the total PUD's approved 929 units. The existing PUD Orders would permit only 115 additional units to be built on the PUD's two large remaining C-2-B sites.

Due to the history of racism, including past and present discriminatory practices and the legacy of systemic racism, Black residents of the District, on average, have considerably less household wealth than white residents, face more negative health outcomes, and incur more challenges to accessing opportunity than white residents. Beyond the indirect reduction in upward price pressure that comes from building market rate housing, OP considers it especially important for discretionary projects to contribute directly to achieving the Upper Northeast area’s affordable housing goal and its associated racial equity goal.

The Zoning Commission determined in Order 06-10D that because the PUD was approved prior to the effective date of the Inclusionary Zoning (IZ) regulations, the applicant was not required to build any IZ units unless the PUD’s approved 929-unit total is exceeded³. However, the Office of Planning State Data Center prepared a survey of affordable housing by ANC⁴ and the figures as of 2018 show that ANC 5A had only 0.2% of the District’s income restricted affordable housing and that only 1.6% of the total housing in ANC 5A is considered income restricted affordable. That is a major reason why OP had strongly encouraged the applicant to voluntarily include affordable housing units within the revised Block B proposal, even though IZ is not yet required for this PUD. The 3 IZ units proposed since setdown would comprise 13% of the additional units for which permission is requested in this application, and 1.1% of the total number of units that would be constructed with this phase of the PUD.

OP is encouraged by the recent proffer of 3 IZ units and has suggested the applicant consider providing more IZ units.

iv. Upper Northeast Area Element

The 2020 revisions identify Fort Totten as an area that offers both “single family housing and an emerging cluster of transit-oriented development around Metrorail stations” (UNE 2400.1). The applicant’s site is less than ¼ mile from the Fort Totten Metro station and the newest proposal would add 23 more housing units to the 240-280 already approved for this phase. The element also emphasizes locating higher-density housing near Metro is desirable (2408.1), and Policy UNE 2.7.1 envisions the area adjacent to the Fort Totten Metro stations as a “transit village” combining the very uses that would be included in the proposed Phase 2 PUD – housing, ground-floor retail, new parkland (the former 4th Street would become a pedestrian plaza and festival space) and civic uses (while private, the children’s museum would serve a civic purpose).

v. Arts and Culture Element

The revisions to this element place greater emphasis on the importance of the arts to the well-being of District residents. The element stresses visibility, accessibility and diversifying resident engagement and participation (AC 1400.2). Policy AC-1.1.6 encourages locating arts and cultural facilities near transit. The revised proposal would continue to be consistent with these objectives and policies.

³ Order 06-10D, Conclusion of Law No. 13 and Condition No. F.1.

⁴ <https://public.tableau.com/app/profile/travis.pate/viz/DistrictofColumbiaIncome-RestrictedAffordableHousingbyANC/AffordableHousingANC>

VI. OTHER GOVERNMENT AGENCY COMMENTS

The applicant circulated the application to the District Department of Transportation (DDOT). DDOT staff has informed OP that it has no objection to the revised Trip Generation Analysis (Exhibit 2E), the additional loading berth, or the proposed reduction in parking. DDOT will be submitting a separate report prior to the hearing.

At the time OP completed this report, no other District agencies had commented on the application.

VII. ANC COMMENTS

The site is within the boundaries of ANC 5A. The ANC filed a letter about the proposed revisions to the case file for 06-10F. At the time OP completed this report there were no additional comments from the ANC in the 06-10G file.

The adjacent ANC 4B was also a party to the original case. It filed a letter in support of the project, which also included additional requests and recommendations (Exhibit 21).

VIII. COMMUNITY COMMENTS

The applicant also circulated the application to the Lamond Riggs Citizens Association (LRCA), the third original party in the case. The Citizens Association provided comments on the proposed changes in the record for Application 06-10F, to which the applicant responded in its filing for 06-10G. (Exhibit 2, pages 7,8). At the time OP completed this report there were no additional comments from LRCA in the Application 06-10G file, or from any other community members.